



A CMS Energy Company

William A. Schoenlein
DIRECTOR,
Hydro Generation

July 29, 2008

(MAILING LIST ATTACHED)

**LICENSE APPLICATION ADDITIONAL INFORMATION REQUEST
CALKINS BRIDGE PROJECT
FERC PROJECT NO. 785**

On April 4, 2008 Consumers Energy Company ("Consumers") filed with the Federal Energy Regulatory Commission ("FERC" or "the Commission") an application for new license for it's Calkins Bridge Hydroelectric Project (FERC No. 785) which is located on the Kalamazoo River near Allegan, Michigan. By letter dated July 24, 2008 the Commission notified Consumers that the license application had been accepted, but that it was not ready for environmental analysis.

Based upon the Commissions initial review of Consumers license application additional information is required by the Commission in order for them to complete their analysis. A listing of the additional information was enclosed as Schedule A to the Commissions July 24, 2008 letter to Consumers.

In accordance with 18 CFR §16.8(d)(2), which requires copies of any written correspondence from the Commission requesting the submittal of additional information be served on every resource agency and Indian tribe consulted, or other government offices, attached for your records is a copy of the July 24, 2008 letter from the Commission to Consumers including the Schedule A attachment.

Please address any questions or comments regarding this letter to Mr. David McIntosh of my staff at (231) 779-5506.

/s/ William A Schoenlein
William A Schoenlein

Mary Jo Kunkle
Executive Secretary
Michigan Public Service Commission
PO Box 30221
Lansing, MI 48909-7721

Patricia A. Grant
Federal Energy Regulatory Commission
Chicago Regional Office
230 S. Dearborn St. Ste. 3130
Chicago, IL 60604

Field Supervisor
U. S. Fish and Wildlife Service
East Lansing Field Office (ES)
2651 Coolidge Road
East Lansing, MI 48823

Regional Administrator
U. S. Environmental Protection Agency
Region V
77 W Jackson Blvd
Chicago, IL 60604-3511

Bureau of Indian Affairs
1849 C Street N.W.
Washington, DC 20240

Regional Director
National Park Service
601 Riverfront Drive
Omaha, NE. 68102

NOAA Regional Administrator
North East Regional Office
One Blackburn Drive
Gloucester, MA 01930-2298

Commander
US Army Corps of Engineers
477 Michigan Avenue
PO Box 1027
Detroit, MI 48231-1027

Natural Resources Conservation Service
Allegan Service Center
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Allegan, MI 49010-9410

Bureau of Land Management – Eastern
States
State Directors Office
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7450 Boston Boulevard
Springfield, VA 22153-3121

Water District Chief
US Geological Survey
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Lansing, MI 48911

Advisory Council On Historic Preservation
Eastern Office of Project Review
1100 Pennsylvania Ave, NW
Suite 809
Washington, DC 20004

Michigan Department of Natural Resources
Parks and Recreation Division
PO Box 30028
Lansing, MI 48909

Michigan Department of Natural Resources
Wildlife Division
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Lansing, MI 48909

Federal Emergency Management Agency
Regional Office
536 South Clark Street
6th Floor
Chicago, IL 60605

Department of Interior
Bureau of Reclamation
Regional Office
1849 C Street, NW
Washington, D.C. 20240-0001

Michigan Department of Natural Resources
Fisheries Division
Mason Building
Eighth Floor
PO Box 30446
Lansing, MI 48909

Michigan Department of Environmental
Quality
Remediation and Redevelopment Division
Superfund Program
PO Box 30426
Lansing, MI 48909-7926

Michigan State Historic Preservation Office
Michigan Historical Center
Department of History
Arts and Libraries
PO Box 30740
Lansing, MI 48909-8240

Match-E-Be-Nash-She-Wish
Band of Pottawatomi
Attn: Dawn Krauss, Tribal Administrator
PO Box 218
Dorr, MI 49323

The Pokagon Band of Pottawatomi Indians
Attn: Mark Parrish, Environmental
Coordinator
58620 Sink Road
Dowagiac, MI 49047

Nottawaseppi Huron Pottawatomi

Attn: David Jones, Environmental Director
2221 One half Mile Road
Fulton, MI 49025

Shari Kolak
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Jim Schramm
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PO Box 828
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Kalamazoo River Public Advising Council
Drew Launcher
132 N. Burdic, Suite 203
Kalamazoo, MI 49008

Kalamazoo River Watershed Council
Jeff Spoelstra
408 E. Michigan Avenue
Kalamazoo, MI 49007

Michigan Department of Environmental
Quality
Land and Water Management Division
PO Box 30458
Lansing, MI 48909-7958

Allegan County Board of Commissioners
Allegan County Building
113 Chestnut Street
Allegan, MI 49010

City of Allegan
112 Locust Street
Allegan, MI 49010

Allegan County Clerk
Allegan County Building
113 Chestnut Street
Allegan, MI 49010

Valley Township
Attn: William Browne, Supervisor
2054 N. M-40
Allegan, MI 49010-9483

Allegan Township
Attn: Stephen Shultz, Supervisor
3037 118th Avenue
Allegan, MI 49010-9555

Allegan County Drain Commission
Allegan County Building
113 Chestnut Street
Allegan, MI 49010

Allegan Conservation District
1668 Lincoln Road
Allegan, MI 49010

Parks Commission
Allegan County Building
113 Chestnut Street
Allegan, MI 49010

Allegan State Game Area
Allegan Field Office
4590 118th Avenue, Rt. 3
Allegan, MI 49010

Emergency Operations Center
3271 122nd Avenue
Allegan, MI 49010

Kalamazoo River Protection Association
Dayle Harrison
3108 62nd St.
Saugatuck, MI 49453

Kalamazoo River Protection Association
Mary Powers
917 S. Park
Kalamazoo, MI 49001

Kalamazoo River Partners
Pat Adams
217 Monroe St.
Kalamazoo, MI 49006

Kalamazoo Valley Chapter Trout Unlimited
Bernie Naylor
937 Farrell Ave
Kalamazoo, MI 49006-5523

Trout Unlimited Kalamazoo Valley
Ken Nuorala
13016 East G Avenue
Augusta, MI 49012

Allegan Public Library
Attn: Linda Koch
331 Hubbard St.
Allegan, MI 49010

FEDERAL ENERGY REGULATORY COMMISSION

WASHINGTON, DC 20426

July 24, 2008

Project No. 785-018-Michigan
Calkins Bridge Project
Allegan County, Michigan

James R. Coddington
Consumers Energy Company
One Energy Plaza
Jackson, MI 49201

Reference: Acceptance Letter and Request for Additional Information

Dear Mr. Coddington:

Your license application for this project has been accepted by the Commission for filing as of April 4, 2008, but is not ready for environmental analysis at this time.

The public notice that the application has been accepted solicits interventions and protests on the application. Federal and state resource agencies, Indian Tribes, and interested non-governmental organizations affected by this project are informed by the Commission's public notice that a copy of the complete application may be obtained directly from you.

To support and assist our environmental review, in the near future we will initiate a public scoping process to solicit comments to ensure that all pertinent issues are identified and analyzed.

In response to our tendering notice issued on May 2, 2008, we received a request for additional studies from the Michigan Department of Natural Resources (Michigan DNR). We have reviewed Michigan DNR's study requests and your responses to them and are issuing a response to Michigan DNR concurrently with this letter.

Based on our initial review of your license application additional information is needed to conduct our analysis. A listing of the information needed is enclosed in Schedule A. Under Section 4.32(g) of the Commission's regulations, please file within 60 days from the date of this letter the information requested in the enclosed Schedule A. If the submission of additional information causes any other part of the application to be inaccurate, that part should also be revised and refiled by the due date.

Within 5 days of receipt, please provide a copy of this letter and the attached schedule to all agencies you will consult in response to this additional information request (AIR). Then, when you file the requested information with the Commission, provide a complete copy of the information to each agency and other entity consulted, and to all parties on the service list.

Please file an original and eight copies of the information with: Kimberly D. Bose, Secretary, Federal Energy Regulatory Commission, 888 First Street, NE, Washington, DC 20426.

You may call Tim Konnert at (202) 502-6359 if you have any questions concerning this additional information request.

Sincerely,

Vince Yearick, Chief
Hydro East Branch 1

Enclosure: Schedule A

cc: Service List, Public Files

ADDITIONAL INFORMATION

Please file within 60 days from the date of this letter the following additional information. When you file this additional information with the Commission, you should at the same time serve exact copies of the filings on the agencies that you consulted during the preparation of the Exhibit E.

Project Operation

1. On page 6 of the application, section A.3.2., you propose to continue the current run-of-river mode of project operation, which involves maintaining the project reservoir (Lake Allegan) surface elevation between plus 0.1 foot and minus 0.5 foot of full head (0.6 foot fluctuation) 90 percent of the time, and between plus 0.2 foot and minus 0.8 foot of full head (1.0 foot fluctuation) 100 percent of the time. You note full head is considered the nominal operating level of 615 feet. Further, on page 19, section H.2.3.1, of your application, you note that heavy rainfall occurring in areas upstream of the project will produce large increases in river flow resulting in headwater fluctuations, and the Kalamazoo River is subject to annual spring flooding. We are uncertain why you propose a 1.0 foot reservoir fluctuation limit 100 percent of the time. Is it due to the periodic flooding, primarily during spring run-off noted above? Please clarify the reason(s) for the 1.0 foot reservoir fluctuation limit. In addition, specify the period(s) of the year you intend fluctuating the reservoir 0.6 foot and 1.0 foot.

Project Description

2. On page 6 of the application, section A.2.2.3., you note the project boundary includes the following transmission interconnection facilities: (1) three 4,800-volt buried cables connecting the powerhouse to a step-up transformer; (2) the step-up transformer; (3) three 24,000-volt buried cables connecting the step-up transformer to a re-closer relay; (4) three 24,000-volt cables connecting the re-closure relay to fuses on pole mounted crossarms; and (5) a 240/120-volt buried cable connecting the re-closure relay to a pole mounted transformer connecting to the distribution system. The description does not include the length of each cable used to transmit project power to the distribution grid. Please provide this information.

Exhibit F Drawings

3. The Exhibit F-1, General Design drawings in the application show and label the

project transmission interconnection facilities described above. Specifically, the Exhibit F drawing shows two project transmission cables; a 24,000-volt cable connecting the transformer and re-closure relay to a riser pole located next to a three-phase distribution line, and a 240/120-volt cable connecting the transformer and re-closure relay to a pole connecting to a single-phase distribution line. We are unclear where the project's primary transmission line(s), used to transmit project power, connects with the regional grid.

The Commission's test for a primary line is that the line is used solely to transmit power from the licensed project to a load center, and that without the line there would be no way to transmit all the project power to market. Under this test, the line leading from a project ceases to be a primary line at the point it is no longer used solely to transmit power from the project to the interconnected grid.¹ Therefore, please tell us where the project primary transmission line(s) interconnect with the grid and ceases to be a primary line. Exhibits A, F, and G should be revised to describe and show project primary transmission line(s).

Exhibit G Drawing

4. The Exhibit G Project Boundary drawing shows a project boundary line enclosing what may be transmission facilities described above under project description and Exhibit F Drawings. The Exhibit G drawing shows and labels the location of the powerhouse and spillway, but does not show or label the project transmission facilities. Further, your recreation resources study report included with the license application identifies four existing recreation sites on the project reservoir that appear to be connected to the Calkins Bridge Project in that they provided access to project waters: Jaycee Park, Lake Allegan Boat Access (Echo Point), Calkins Dam Portage, and Tailwater Fishing and Boating Access. The recreation sites are not shown or labeled on the Exhibit G drawing. Therefore, please file an Exhibit G Project Boundary drawing that encloses within the project boundary and labels all project works including the primary transmission line(s) and any recreation areas.

Single-Line Diagram

5. Figure A.2.2.3. on page 16 of the application provides a Calkins Bridge Electrical Schematic. The schematic is small in scale and the electrical symbols and text are not legible; this is also the case when viewing the schematic on the CD. Therefore,

¹See, e.g., *Vermont Electric Generation & Transmission Cooperative, Inc. and North Hartland, LLC*, 104 FERC ¶61,151 at P 8 (2003) and the orders cited there.

please file a single-line diagram that is legible.

Aquatic Resources

6. On page 63 of the application, in section E.1.3.1, you provide information on the results of PCB surveys (table E.1.3.1.2) taken from studies conducted in 1983 and 2001. The information presented, however, does not include the sampling locations on which your assessment of effects is based. So we can review the sampling locations, please file two copies of reports 3(f) and 16 as listed in the table E.1.3.1.4, *Sources and References*.

7. You note in Exhibit E1.2.1 that lake sturgeon have been extirpated from the project area, yet Michigan DNR commented in its request for additional studies that lake sturgeon have been observed downstream of the project. Michigan DNR considers this a species of Greatest Conservation Need within the Kalamazoo River watershed and the vicinity of Lake Allegan. The basis for noting that the sturgeon has been extirpated is therefore unclear, as is whether Michigan DNR agrees with this assessment. To conduct our analysis we need to understand the current condition of lake sturgeon populations and suitable habitat below the dam. Please provide a description of potential lake sturgeon spawning habitat below the project, the extent to which such areas are utilized by lake sturgeon, and the potential impact of project operation on lake sturgeon in the vicinity of the project.

Shoreline Management

8. As described in E.1.4.1, your shoreline use permit and control system has been in effect at the project since 2004. The program provides for review and permitting of existing and proposed docks, stairways, and seawalls. Please submit a description of this program, the permit process, and the annual cost for maintaining this program. If appropriate, include a description of how the permitting system addresses shoreline erosion and aesthetics, as well as any measures for vegetation/habitat management and invasive species control.

Section E.4.1 states that, since initiation of the shoreline use program in 2004, you have issued permits for about 75 percent of the existing shoreline uses and for all new uses that required a seawall permit from the state. You state that you continue to work toward achieving 100% compliance. Please submit a summary of the existing permits (similar to the summary of NPDES permits shown in Table E.1.4.2.1) and describe, in general terms, the non-permitted existing shoreline uses.

Vegetative Cover

9. In Exhibit E.1.1 of the application you provide an assessment of wetland communities, but do not provide an assessment of upland vegetative communities. Please provide a description of the botanical communities, including invasive species, present within the project boundary, including the islands.

10. Please provide full-size legible maps for Figures E.1.1-2 through E.1.1-5; the current maps are not legible and we are unable to assess the land cover, wetland communities, and invasive species data. Furthermore, the project area depicted on the maps should include all lands owned by Consumers or the state of Michigan within and adjacent to the current project boundary.

Wildlife Resources

11. In Exhibit E.1.2 the application you provide a general list of potential wildlife species present in the project area based on the Michigan DNR's Lower Kalamazoo River Natural River Plan. This plan, however, is not specific to the project area. Please provide a list of wildlife species specifically for the project area. Include a description of any anticipated impacts on these species resulting from project operation.

Recreation

12. The recreation resources study report notes that there are four recreation areas located within the project boundary that provide public access to the project impoundment or tailrace. These areas include Jaycee Park, constructed and operated by the city of Allegan Department of Public Works, as well as three sites that are owned and operated by the Michigan DNR: Echo Point Boat Access, Calkins Bridge Canoe Portage, and Tailwater Fishing and Boat Access. Please clarify whether operation and maintenance of these facilities is the sole responsibility of the city of Allegan and Michigan DNR and whether Consumers has a role in operation and maintenance. In your response, please include the annual cost of operating and maintaining these facilities.

13. The recreation study report noted above does not characterize recreational use at any of the informal sites located at the project. For example, the report identifies a highway turnout (gravel area on the side of the road), that likely sees occasional informal use, but notes that this is not considered a project-related recreation site.

The questionnaire used during the recreation study asked the user what additional facilities are needed at that particular location, but did not ask what additional facilities are needed at the project in general. To assess the need for improvements at the four formal sites or for additional recreational access sites, i.e. improved opportunities for angling (bank and boat), we need a better understanding of all features that provide access to project waters. Therefore, please provide a description and map showing the location of any known access features such as the one noted above. The description should identify land ownership at each site and the map should locate the site in relation to the project boundary and the other designated access facilities at the project.

Cultural Resources

14. 18 CFR § 4.41(f) requires applicants to file a report on historic and archaeological resources, developed in consultation with the State Historic Preservation Officer (SHPO). Section E.1.6.2 of the application presents the results of a Phase I archaeological survey conducted in 2007 (included as Volume 4). Please provide documentation of consultation with the SHPO on the findings of the Phase I survey. If you have already asked the SHPO to comment on this finding, please provide documentation of this consultation with the SHPO and a copy of any SHPO response. If you have not consulted with the SHPO, please do so and provide a copy of the letter to the SHPO.

15. 18 CFR § 4.41(f) requires applicants to file a report on historic and archaeological resources that includes a description of the likely direct and indirect impacts of proposed project operation on sites or properties either listed in, or recommended as eligible for, the National Register of Historic Places (National Register), as well as proposed mitigation and protection measures. The Historical and Archaeological Resources Report (Application page 121, section E.1.6) the Phase I archaeological survey report, noted above, do not indicate the National Register status of all known cultural resources in the Area of Potential Effects (APE)² nor does it state how the project may affect any listed or eligible sites. In addition, the application does not

²An APE, as defined in the implementing regulations for section 106 of the National Historic Preservation Act, means the geographic area within which a proposed undertaking (such as issuing a license for the continued operation of the Calkins Bridge Project) may cause changes in the character, or use, of historic properties. The APE for this relicensing consists of land within the project boundary and any land outside the project boundary that is affected by project-related activities (i.e., use of project recreation facilities).

propose measures to avoid adverse impacts on these resources. Therefore, please submit a follow-up cultural resources report that includes the following information:

- (a) Application page 121, section E.1.6.2, states that an archaeological consultant performed a Phase I Archaeological Survey of project lands that had not been previously surveyed. The Phase I report provides minimal information on the previous surveys. Please clarify what areas adjacent to the shoreline and within the project's APE have been previously surveyed, and what areas have not yet been subjected to a Phase I archaeological survey.
- (b) While figure 1.0-1 of the Phase I report identifies a number of additional previously recorded sites on the project shoreline, we cannot determine from the information provided whether these previously recorded sites on the project shoreline are eligible for listing in the National Register. Please provide information regarding the National Register status of these sites on project shorelines. To do this, review the site files at the Michigan Office of State Archaeologist (which your consultant reviewed for the Phase I report) and as necessary consult with SHPO staff. If a site has not been evaluated for National Register eligibility, so indicate.
- (c) For each archaeological site in the APE that is listed in the National Register, eligible for the National Register, or that has not been evaluated for National Register eligibility, describe any project-related effects as well as any proposed mitigation measures. Include sites 20AE809 (including the additional area identified in the Phase I report), 20AE874, and 20AE878 in this discussion. Include any recommendations from the SHPO.
- (d) On page 122, section E.1.6.3.1, you state that the Calkins Bridge Project is not eligible for listing in the National Register but you do not provide the basis for this statement nor any documentation of consultation with the SHPO. The project was constructed in 1936 and meets the 50-year threshold for consideration for listing in the National Register. Therefore, please provide the basis for your finding, as well as documentation of your consultation with the SHPO on the eligibility of the Calkins Bridge Project for listing in the National Register.

